



## FDA ANNOUNCES NEW BIOTERRORISM RULES

**T**he Food and Drug Administration (FDA) has announced the proposal of two new anti-bioterrorism rules that are scheduled to go into effect on October 12, 2003. However, the FDA will not strictly enforce these rules until December 12, 2003, thereby giving the public a 60-day acclimation window.

The FDA further announced that they expect the registrations and the notices of arrivals to be handled through the FDA's web-based reporting system. It is

estimated that 20,000 advance notices-of-arrival per day will be received. It is anticipated that over 200,000 foreign food companies and more than 200,000 U.S.-based food companies will register. Once U.S. Customs completes its new Automated Commercial Environment (ACE) in 2005, the FDA expects that the prior notices and registrations will be handled through ACE.

The following is a brief overview of both proposals:

### **Prior Notice of Imported Food Shipments**

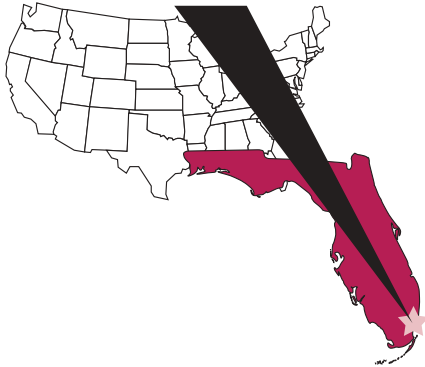
The Public Health Security and Bioterrorism Preparedness and Response Act of 2002 requires that the FDA receive prior notice of food imported or offered for import into the United States beginning on December 12, 2003.

The food category of this act includes food and beverages for human and ani-

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# AS GATEWAY TO LATIN AMERICA AND THE CARIBBEAN, BARTHO'S MIAMI OFFICE SPEAKS YOUR LANGUAGE.

## BARTHCO's office in Miami



**B**arthco's Miami office opened in the spring of 1994 to accommodate and facilitate the customs brokerage and international freight forwarding needs of existing corporate clients in that region. Since then, the facility and range of services have expanded to include supply chain management, warehousing and distribution and the bilingual staff has established a reputation for its professionalism and effectiveness in processing shipments and facilitating our clients' needs.

Staffed seven days a week, the office concentrates on handling the special-

ized clearance of perishables including fruits, vegetables and meats as well as the time-sensitive entries of valuable merchandise such as diamonds, jewelry, and precious metals. Other major commodities processed by the office include wearing apparel (9802/807) and packaged food products.

Barthco's Miami management team consists of Veronica Cohen (Imports), Jorge Quintana (Exports/Distribution), Nelson Fernandez (Sales) and Robert Chin Quee (Corporate). At the supervisory level are Carolyn Mitchell (Imports) and Wanda Perez (Exports).

Barthco Miami offers complete logistics and distribution services. This includes container transloading, consolidation, Air and Ocean global transportation, customs brokerage, pick and pack as well as quality control with full internet and EDI capabilities.

We welcome the opportunity to handle your logistics and supply chain needs!

The Miami office is located at 11350 NW 25th Street, Suite 100, Miami, FL 33172. For more information, please call us at 305-471-0071 or visit our website at [www.barthco.com](http://www.barthco.com)



Barthco's Miami office



The Miami office staff; front row from left to right: Veronica Cohen, Yarima Moreno, Brandon Scarlett and Wanda Perez. Center row from left to right: Saray Larios, Marisela Sanchez, Carmen Quintana and Carolyn Mitchell. Rear row from left to right: Marco Gonzalez, Jorge Quintana and Nelson Fernandez.

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## CUSTOMS CORNER

### Customs Change

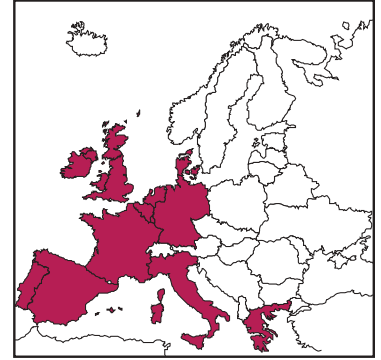
As noted in our last newsletter, the former U.S. Customs Service officially became a part of the Department of Homeland Security on March 1, 2003. The new entity will be formally known as the Bureau of Customs and Border Protection. Customs joins three other former agencies, Immigration & Naturalization Service, the Border Patrol, and the Animal & Plant Health Inspection Service to form this new bureau.

### Miscellaneous Trade Act of 2003

On March 5, 2003, the House of Representatives passed H.R. 1047 formally known as the Miscellaneous Trade and Technical Corrections Act of 2003. This legislation contains various trade related items and technical amendments including various temporary duty suspensions. Among other items, this bill would amend certain provisions of both the CBTPA and AGOA legislation, would provide for periodic payment of duties and fees (so-called monthly payment), and would amend certain drawback provisions. The Senate Finance Committee has approved its own version of a miscellaneous trade act but an influential senator has placed a hold on the bill until the full Senate deals with an unrelated textile import matter. When and if the Senate version of the bill is released and passed, the competing trade acts would have to go to a House-Senate committee to resolve the differences in the bills.

### European Community Retaliation

An ongoing dispute between the U.S. and the EC over the U.S. Foreign Sales Corporation (FSC) tax law has finally resulted in the EC declaring that \$4 billion in U.S. exports to the EC will be subject to retaliatory duties. This dispute has been going on for several years with the World Trade Organization (WTO) ruling in favor of the EC and granting the EC the authority to respond with this retaliation if the U.S. did not eliminate the FSC. Since Congress has not taken the necessary steps to satisfy the WTO judgment, the EC proposes to sanction such items as meat and dairy products, fresh vegetables, leather articles, wood articles, jewelry, electrical machinery, toys, games, sporting equipment, tools, copper and aluminum articles, iron/steel articles, ceramic and glass products, certain prepared foods and certain textile, carpets, and footwear (See [www.eurunion.org/news/press/2003/200313.htm](http://www.eurunion.org/news/press/2003/200313.htm)). Since this advisory list is seen as a means of pressuring the U.S. into action, no specific time frame was given for the institution of these retaliatory measures. The EC hopes that the issue can be resolved before further action is taken.



## LOGISTICS NEWS

### People

We're happy to announce that Karen Brandenburg has joined Barthco in Chicago. Prior to her arrival, Karen was responsible for customer service at Maersk Logistics and Distribution Services Ltd (DSL). Her 12+ years of hands-on experience will elevate Barthco's service levels, and will contribute to the company's business development efforts.

We (at the Folcroft office anyway) are not as happy to announce that George Cirrilla will be making his long-awaited move to the Newark office, effective Monday, May 5. George joined the Company in April 2002, and has been an integral part of its success across the country. His presence at Newark will greatly strengthen the operations there, particularly in sea freight. In addition to managing Newark's daily activities, George will also retain some of his present responsibilities, such as maintenance of our carrier contracts and oversight of our AMS 24-Hour Rule process.

Kathy Powers, who has been working in inbound air freight at Folcroft, will have her responsibilities expanded as a result of George's transfer.

Kim Glenn joined the Folcroft team in April, and will primarily be assigned to the air freight arena. Kim joins us from Eagle/Circle.

Last, but certainly not least, Frank Dixon will be joining the team in Folcroft, working in inbound sea freight operations.

### Network

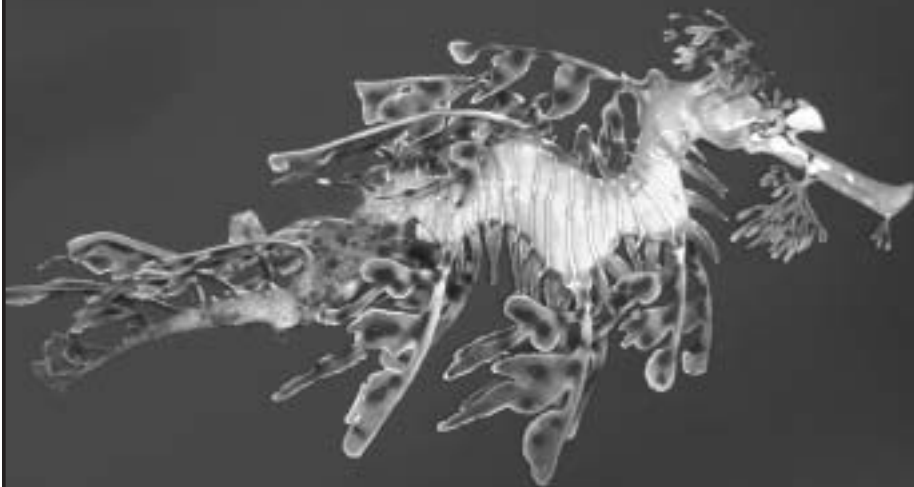
Exel reported very positive financial results for 2002, with total revenues up 6% to £4.4 billion, and operating profit improving by 4% to £210.2 million. John Allan, Chief Executive, writes in their annual report, "Exel has, for several years, followed a very clear strategy. The core mission and individual cornerstones of this strategy are closely matched to an exciting growth market. Exel is a global company with single brand and a clear mission – to create new value in the supply chain for our customers, employees, and shareholders."

***Exel is a global company with single brand and a clear mission – to create new value in the supply chain for our customers, employees, and shareholders."***

John Allan, CEO Exel

We were pleased to receive a visit in early March to Philadelphia by M+R Spedag, in the persons of Chairman Daniel Richner, Continued on Page 6

# BARTHCO SPECIAL SERVICES RECEIVES ACKNOWLEDGMENT FOR A JOB WELL DONE.



*Sea Dragon from Australia*

**O**n February 4th, Barthco Special Services assisted in the sensitive movement of Sea Dragons and Cardinal Fish for the New Jersey State Aquarium. Unique to Australia, the animals require a permit for export. Chris Alonso in Barthco's Los Angeles office, Teri Jones and Mike Andrel of Special Services (Folcroft, PA) facilitated the move.

In a letter of appreciation to Mike Andrel, Brian DuVall, President and CEO of the New Jersey State Aquarium, wrote the following:

"Thank you very much for Barthco International's services to assist with the importation of the sea dragons from Australia for the New Jersey State Aquarium. Your expertise and careful handling were greatly appreciated. Timing is so critical and any delay can mean the loss of very valuable animals.

"Please share my appreciation with other key staff members – especially Teri Jones and Christopher Alonso. They did an excellent job to ensure a smooth and flawless transport.

"Thanks to all your excellent work, we have overcome one of the biggest hurdles in our path to opening this exciting new exhibit."

## USDA PRESENTS BARTHCO EMPLOYEES WITH AWARD

**O**n February 11, 2003, Ron Blaskovich and Hal Fingerman of USDA presented George Sibley, Senior Vice President, and Bill Fagan, Traffic Manager, with an award to express their gratitude for their cooperation with and alertness to USDA issues.

When USDA decided to present this award to someone within the industry, they spoke to representatives in the port where these two Barthco employees were mentioned repeatedly as being knowledgeable and helpful. Mr. Blaskovich and Mr. Fingerman expressed that these gentlemen's knowledge of their industry helped to make their jobs easier.



*Pictured from left to right: Ron Blaskovich, Bill Fagan, George Sibley and Hal Fingerman*

## BARTHCO OUT AND ABOUT

**F**rom March 16 to 20, the National Customs Brokers and Forwarders Association of America (NCBFAA) held their annual conference in San Antonio, Texas. Mary Jo Muoio, who is also Vice President of NCBFAA, led a presentation to the



Mary Jo Muoio

membership on the new advisory mission of COAC. Mary Jo was recently appointed to this treasury advisory committee, which, among other things, has been instrumental in working with Customs to implement advance manifest procedures for all modes of transportation. The NCBFAA annual conference is the premier annual event held by the Association.

Ms. Muoio also took part in a speaking engagement in New Orleans for the American Institute of International Steel on March 24th. Mary Jo was invited back to talk to AIIS members as part of a panel discussion that included several industry experts. She addressed the group about the C-TPAT program and the applicability of that program to steel importers. As a leading provider of C-TPAT services, Mary Jo explained to the audience how to implement this program within their own associations as efficiently as possible.

On a related note, at the AIIS conference, Jack Mallough of Barthco International, Inc. was applauded for his vision in the formation of the Free Trade in Steel Coalition.



Jack Mallough



Pictured from left to right: Dave Weiss, Dennis Colgan, Jim Santangelo and George Sibley

## JIMMY SANTANGELO RETIRES AFTER 30+ YEARS

**O**n February 25th, Jim Santangelo, Barthco's Customs messenger, retired. "Jimmy was our eyes and ears at Customs," says Tony Stevenson, Vice President overseeing Ocean Import in Philadelphia. A luncheon was held in his honor, which included attendance from both Barthco and Customs employees.

Barthco would like to congratulate Jimmy Santangelo on his retirement and thank him for over 30 years of outstanding service at Barthco!

## BROKERS LICENSE

**Veronica Cohen**

Barthco Miami

**Qing Qing Zhuge**

Barthco New York

## JUST BORN

**John Mallough** and his wife, Dawn, celebrated the birth of their daughter, Caitlyn Elizabeth, born March 2nd. John is part of the Philadelphia Ocean Import team.

**Claudia Cantu** of Barthco's Houston office and her husband, Jose, welcomed Sofia Isabella on January 14th.

## JUST MARRIED

**Cara Palmer** of Barthco's Baltimore office was married to Chris Barrett on February 25th.

## OTHER PEOPLE NEWS

**Tony Stevenson**, Vice President, was recently named to the Board of Directors of the MidAtlantic Australian New Zealand Chamber of Commerce.

Membership benefits include a bi-monthly newsletter, periodic public meetings with government and business leaders, and invitations to cultural events. For more information, please contact the Chamber at 215-321-1662.

## BARTHCO MILESTONES

20 YEARS:

**Susan Maisano**

**Pat Corrigan**

**Lynda Muniz**

15 YEARS:

**Janet Lynch**

**Maryann Lindsey**

10 YEARS:

**Todd Wilen**

**Karen Lentine**

## LOGISTICS NEWS

Continued from Page 2

Asia Managing Director Ruediger Elste, and USA Sales Executives Harald Oechsner and Paul Selvage. Over the course of two days, topics ranged from the overall scope of our relationship to information technology, and, of course, business development. Both companies are extremely satisfied with the services and support provided by the other, and initiatives were undertaken to enhance this partnership.

The finishing touches have been put on our sea-freight partnership with Dart Southwest Asia Group. The effective date of the agreement is targeted for May 1. The relationship will pertain to the territory of Bangladesh, India, Kenya, Madagascar, Mauritius, Pakistan, Sri Lanka and the United Arab Emirates. Barthco looks forward to working with Dart on business from this region, which continues to grow in importance and opportunity. More to follow.

### Regulatory

Amidst all of the security-based changes within our environment, we are happy to report that Seahorse has been certified as a member of C-TPAT, and has qualified as an AMS-capable carrier, reporting advance information to US Customs in accord with the 24-Hour Rule. Our ongoing strategy is to support these initiatives, as well as the ones that will surely follow. In doing so, we will be protecting the interests of our clients and ourselves alike.

### Technology

We are pleased to advise that Shiptek, our automated shipment processing system, is live and running in the Philadelphia, Chicago, and Newark operations. At this time, the software's finishing touches are still being applied; the rollout to all offices is scheduled for the very near future.

In addition, we have recently implemented Rate Explorer™, a function-rich, web-based solution hosted by Management Dynamics that enables us to manage rates and service contracts in a calculable format. Users connect to Rate Explorer™ via the Internet, and this application provides customers with superior rating productivity, accuracy, and business intelligence. As well, this solution allows customers to eliminate rating errors and improve productivity by calculating freight charges, maintaining contract and rate history, centralizing contract administration, generating quotes and Customs reports, and auto-rating bookings, shipping instructions, and bills-of-lading.

### Other News

One issue we are watching closely is the possibility of significant ocean freight increases, especially on the Asia-USA sector. Major carriers serving the trans-pacific route have thus far shown every intention of implementing a General Rate Increase (GRI) of as much as USD 700 per 40' container. Please feel free to call your Barthco representative for the latest information. We will continue to keep clients up-to-date on this issue, and will work with all to minimize the impact, via the use of alternative routings and/or carriers when necessary.

## THOUGHTS ON C-TPAT

**I**n a recent TrafficWORLD article, Senior Vice President Bill Evans of Barthco International was asked to comment on cargo security. In the article, "Burden of Proof," Mr. Evans notes that there are financial burdens as well as organizational changes that must take place within a company in order to comply with the new rule. Such compliance with this rule requires companies "to bring people in from multiple disciplines" such as human resources and the person who negotiates ocean shipping contracts or the research and development department who "may have some of the information that is required to meet the requirements of C-TPAT membership." Mr. Evans believes "the security managers' role has to be expanded to take in more of the supply chain... the key to the successful implementation of initiatives such as C-TPAT is support from senior management in the form of manpower and other resources."

***"Security regulations are affecting shipping times and schedules dramatically and 'just-in-time inventory' is being attacked from all corners."***

Bill Evans  
Senior Vice President,  
Barthco International

According to Mr. Evans, "security regulations are affecting shipping times and schedules dramatically and 'just-in-time inventory' is being attacked from all corners." Evans projects that other modes of transportation will be required to submit advance cargo information and "the compliance net will tighten around exports as well as import. A lot of things are going to happen and a lot of adjustments will need to be made."



# NEW FDA BIOTERRORISM RULES ANNOUNCED

Continued from Front Page

mal consumption. Food carried by an individual into the U.S. in their luggage for personal use and meat, poultry and egg products under the exclusive jurisdiction of the USDA would not be covered by the proposed regulation. All other food would be subject to this regulation whether or not it is intended for consumption in the United States.

Under the proposed rule, the purchaser or importer (or their qualified agent) who maintains a place of business in the U.S. would be required to submit prior notice of the importation of the food by noon the calendar day before the day that the imported food arrives at the border crossing at the port of entry. Prior notice may not be submitted more than five days prior to the arrival at a U.S. port.

This prior notice must be submitted electronically through the FDA's web-based Prior Notice System that will be available 24 hours a day, 7 days a week. The rule states that if the system is not working, a printed version of the system's screen must be delivered in person, by fax, or by e-mail to the responsible FDA office. FDA plans that an acknowledgement will be issued with the time and date. The proposed rule also provides that under specified and limited circumstances amendments may be submitted no later than two hours prior to arrival. The amendments must be limited to product specificity or quantity only and not to the nature of the article of food. The anticipated arrival information such as port, date, or time of arrival may also be changed. The proposed rule also provides that food imported into the U.S. for which prior notice is absent or inadequate shall be refused admission into the United States. Such imports must be held at the port of entry or in a secure facility so as to provide sufficient safety and security and may not be delivered to the importer, owner, or consignee.

## Registration of Food Facilities

The Public Health Security and Bioterrorism Preparedness and Response Act of 2002 requires domestic

and foreign facilities that manufacture, process, pack, or hold food for human or animal consumption in the United States to register with the FDA by December 12, 2003. Foreign facilities that engage in the above activities would also be required to register unless food from that facility undergoes further processing by another foreign facility before the food is exported to the U.S. Farms, retail food operations, restaurants, non-profit operations that prepare food for, or serve food directly to, consumers, fishing vessels not engaged in processing, and facilities regulated entirely by the USDA are exempt.

Registration is to be completed through the Internet or by surface mail. However, registrants will be encouraged to register electronically because acceptance and confirmation would be

instantaneous provided the registration information is correct. Mail registration may take weeks or months to confirm. Failure to register and then attempt to import food into the U.S. would result in the imported food being detained at the importer's expense. More importantly, the proposed rule makes failure to register a prohibited act and the Federal government may bring either a civil or criminal action against the importer.

These proposals may be found in their entirety on the FDA website at [www.fda.gov](http://www.fda.gov).

Since these are proposals and the FDA had solicited comments by an April 5th deadline, certain aspects of these proposed rules might change prior to their enactment.

## The proposed rule requires the following information for each line item:

- **Identification of the submitter, including name and firm information**
- **Entry type and U.S. Customs System (ACS) entry number, or other U.S. Customs Identification number for the import**
- **Location of any imported food held at the port of entry or in a secure facility**
- **Identification of the article of food, including complete FDA product code, the common or usual name or market name, the trade or brand name (if different from the common or market name), the quantity described from the smallest package size to the largest container, and the lot or code numbers**
- **Identification of the manufacturer**
- **Identification of the grower, if known**
- **Originating country**
- **Identification of the shipper**
- **Country from which the article of food was shipped**
- **Anticipated arrival information: location, date, and time**
- **U.S. Customs entry process information**
- **Identification of the importer, owner, and consignee**
- **Identification of the carrier**

# BARTHCO BECOMES CERTIFIED MEMBER OF C-TPAT PROGRAM

**O**n January 21st, 2003, Mr. Jayson P. Ahern, Assistant Commissioner, Office of Field Operations, United States Customs Service, informed Barthco International, that after a careful review of its security profile, Barthco had completed its Supply Chain Security Profile commitment and is confirmed as a certified member of the C-TPAT program.

"We are proud to have had the opportunity to work with the Customs Service in developing C-TPAT programs while serving as a technical advisor on border security to the Commercial Operations Advisory Committee of the Treasury Department," stated William Evans, Senior Vice President. For nearly a full year various Barthco representatives attended meetings and critiqued procedures that have evolved into the C-TPAT program of today.

As mentioned by Mr. Ahern in his letter, Barthco's role in C-TPAT is to continue efforts to secure the company's supply chain, communicate efforts to business partners, and maintain a high level of compliance within Customs related areas. The company has taken a very proactive role in communicating these efforts to the global trade community by providing seminars on C-TPAT, both in the United States and overseas, and working with many companies on their efforts to join in the C-TPAT program.

Barthco's C-TPAT program is administered by Bill Evans, who is also actively involved in security issues for the National Customs Brokers and Forwarders Association of America

(NCBFAA) and is a member of the National Cargo Security Council (NCSC) where he is currently serving on the membership committee.

Since last April, when C-TPAT membership officially opened, Barthco has provided expertise to many of the area's largest importers in formulating security plans and successful completion of their supply chain security summaries.

If you would like to learn more about C-TPAT and how it could play a critical role in your supply chain, please contact Mr. Evans at 215.238.8555 or via email to [W.Evans@barthco.com](mailto:W.Evans@barthco.com), or you may contact your local Barthco office.



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